

International Women's Development Agency submission to the Joint Standing Committee Inquiry into Australia's Relationship with the World Trade Organisation (WTO)

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The International Women's Development Agency (IWDA) is an Australian-based non-government Organisation (NGO) which undertakes development projects in partnership with women from around the world, giving priority to working with women who suffer poverty and oppression.

IWDA supports the equitable growth of people and communities, the just distribution of basic resources and respect for human rights. The projects supported by IWDA are devised and managed by women who live and work in their communities in developing countries. The aims of the projects supported by IWDA are to:

- bring tangible socio-economic benefits to poor people;
- oppose injustices and exploitation of women; and
- provide definable and needed skills to women.

IWDA is a member of the Australian Council for Overseas Aid (ACFOA) and endorses the general points made in the Council's submission to the Inquiry. This submission elaborates on a number of issues of particular concern to women, both in Australia and overseas. It attempts to establish some of the ways in which trade is *gendered* in terms of policy creation and impacts - that is, that it has differential effects on women and girls as compared to men.

The first section of the submission establishes the ways in which trade is gendered, and outlines the growth of understanding of gender issues in development. It then elaborates on the headings established by the terms of reference for the inquiry. The submission then considers the outcome of the Beijing + 5 conference and concludes with observations and recommendations from the Southern women's network, Development Alternatives with Women for a New Era (DAWN) which has presented research and produced material on issues related to poor women and trade, governance and development. The submission has been prepared by a Canberra-based volunteer and endorsed by IWDA's committee and staff.

Further communication should be through the writer,
Deb Foskey,
School of Social Sciences,
Australian National University,
ACT, Australia 0200

phone 02 6249 3977
fax 02 6249 2222
email Deborah.Foskey@anu.edu.au

Introduction: Why a gender perspective on trade is needed

It is now well understood that development and economic growth are not neutral phenomena, but that men and women make different contributions and are affected differently by these processes. Other factors also play a part, such as age, race, ethnicity, class, sexuality and location. However, gender cuts across all these categories in every society.

Due to the work of women working in development institutions such as state development assistance departments and international institutions like the World Bank and the United Nations (UN), non-government organisations (NGOs) and individual feminists, most development organisations now have a gender perspective and structure their development assistance accordingly. This process was greatly facilitated by UN meetings on women, commencing in 1975, with the most recent such meeting occurring earlier this year at Beijing + 5, the five year follow-up to the Beijing Conference on Women. As *The Reality of Aid* declares, 'Gender equality is no longer "an optional extra"' (Randal *et al* 2000, 17). It notes that all donor assistance countries apart from Japan have either made gender a key part of policy, such as Sweden, which has a resource person for gender equality in each department, or has a centre for gender expertise as part of its development assistance bureau Portugal is the most recent government have done this.

According to Randal *et al*, AusAID has a system of gender and development markers and has played a key role in the development of the DAC guidelines. Gender and environment are recognised to be cross-cutting issues in all priority areas. The direct gender component of AusAID's budget increased by around 25% from 1998/9 to 1999/2000. 'It is also understood that recent DAC sector reviews on health, education and environment have noted a high level of gender sensitivity in Australia's aid programme' (Randal *et al* 2000, 261). This is despite the fact that the level of Australian aid is the lowest it has ever been, at 0.28% of GNP.

The World Bank now uses the language of gender in many of its publications. Its approach is that '[a] body of empirical evidence now shows that societies that discriminate on the basis of gender pay a significant price in terms of more poverty, slower economic growth, weaker governance, and lower levels of human well-being' (World Bank 2000). The Bank recommends a three-pronged strategy for promoting gender equality, as follows:

- Establishing supportive legal, economic and social institutions with a focus on providing equal rights for men and women;
- Fostering economic development and growth; and
- Initiating active policy measures to promote gender equality in the command of resources and political voice.

The Bank acknowledges that economic growth will not improve gender equality without the establishment of an institutional environment which promotes women's human rights and access to resources.

While development experts recognise the importance of gender, it is now essential that trade experts develop a similar understanding. Oloka-Onyango and Udagama (2000) observe that women stand to gain little from WTO structures, since they are largely absent from its decision-making structures and its rules are gender insensitive. In fact, women are one of the distinct groups of society who benefit least from economic globalisation, although their labour is so crucial to it. Women's participation in export-oriented industries is encouraged by employers' preference for them in textile, shoe and toy making industries as well as in data-processing and semi-conductor assembly industries, which are major growth sectors under economic liberalisation. It is estimated that women provide up to 80% of labour in the free trade zones. Opportunities to unionise to improve wages and working conditions are restricted, and labour safeguards and minimum wages are often discarded by states in their efforts to encourage foreign investment.

The World Trade Organisation has not made public any policy approach to gender. Until it does so, IWDA has no confidence that its policies will improve the situation for the women who are the focus of our concern. It should be noted that our critique applies to Australia's dealings with APEC as well, as this is another organisation which promotes trade liberalisation while denying the relevance of cross-cutting issues such as human rights, gender and environment (Senate Foreign Affairs, Defence and Trade References Committee 2000).

The growth in the informal sector, also sparked by economic liberalisation, has also led to increased female participation. Here of course, women have no employment related benefits, but much insecurity and vulnerability. On the other hand, in the face of structural adjustment programs (SAPs) imposed by the World Bank and International Monetary Fund (IMF) which reduce government services and lead to increases in the price of goods previously state-subsidised, women are forced to seek activities which will bring extra cash into the household. The next round of trade liberalisation through the WTO will force governments to put services such as health and education on the market if the Quad countries (Europe, United States, Canada and Japan) have their way; however, SAPs are already forcing this situation.

Another impact of these sorts of policies, which fall heaviest upon women, is the increase in migration, from rural to urban areas, and across national borders. It is estimated that the ratio of migrant females to males among Filipinos is 12:1, working as domestic workers, seamstresses, nurses, entertainers and prostitutes. Sassen (2000) attempts to map the new geographies of economic globalisation, where, she notes, women are becoming the main labour migrants. Their remittances are of crucial importance to poor economies; in fact, Sassen (2000, 506) asserts that 'it is

increasingly on the backs of women that these forms of making a living, earning a profit and securing government revenue are realised'. She uses the term 'the feminisation of survival' to describe the dependence of households and communities on the work and bodies of women for their survival.

Oloka-Onyango and Udagama (2000) observe that even women not involved in paid work are affected by the policies of trade liberalisation. Their work in the home and the community is the shock absorber of the processes of adjustment and their social costs. Although this work is not measured in national accounts, it underpins economic growth and its failures.

This submission is necessarily lacking in detail on the issues it addresses. However, a large and growing literature exists; see for instance Sen & Grown 1987, Afshar 1991, Acosta-Belen & Bose 1990, Elson & McGee 1995 and Elson 1989.

Recommendations:

IWDA recommends that the Australian Government initiate discussions within the WTO on gender and trade. This should include, at the international level, a multifaceted approach including:

1. A literature review of all available research on the effects of trade liberalisation on women in the North and the South;
2. The identification of areas where more research needs to be done and the commissioning of that research by relevant gender specialists;
3. The training by gender specialists of WTO officials in gender issues; and
4. The preparation of guidelines for member countries on gender-sensitive trade policy.

At the country level, IWDA recommends that:

1. To overcome the lack of understanding among trade bureaucrats of the gendered aspects of trade liberalisation, gender and development experts should offer a series of workshops for key representatives of business, as part of their preparation for involvement in future WTO meetings;
2. Studies on the gendered effects of trade liberalisation, competition policy and other mechanisms promoted by the WTO be undertaken;

3. To overcome the lack of women at WTO consultations representing Australia's women, key women's organisations should be identified, and supported, to attend these consultations; and
4. DFAT should employ a gender expert within its trade unit to advise the APEC and WTO sections on issues related to marginalised groups, particularly women.

1. Opportunities for community involvement in developing Australia's negotiating positions on matters with the WTO

IWDA has been represented at a number of fora on trade and development organised by the Department of Foreign Affairs and Trade (DFAT), as a result of approaches made by this Canberra-based volunteer, who has also attended DFAT's consultations with NGOs on human rights on IWDA's behalf. Between these rare 'consultations', DFAT officers meet with the Trade Advisory Policy Council, which only represents business interests. Gender issues have not been raised by anyone other than IWDA spokespersons. This is despite the fact that, while human rights, labour and environmental issues are seen as being outside the parameters of trade discussions, the chair acknowledged that gender-related issues might be of relevance. On questioning, it became clear that the trade section of DFAT has not read any of the large literature now available on the effects of policies promoted by the WTO on women, particularly poor women and their families. Yet, as noted above, gender issues are now understood by organisations such as the World Bank to be a key aspect of economic development, while investment in women is seen to extend beyond individual women into their families and communities (World Bank 2000).

The lack of women speaking for women at fora on trade must be addressed. Although there are a small number of women at the DFAT consultations, they generally speak on behalf of the businesses and NGOs which employ them, with no particular concern expressed for women as a group. It is symptomatic of the representation at trade meetings that up until the Melbourne meeting, where two women spoke as observers (Vandana Shiva from India and Sharon Burrows from the Australian Council of Trade Unions), there had been no women speakers at the World Economic Forum.

3. Effectiveness of WTO dispute settlement procedures and ease of access

IWDA notes that the WTO Dispute Resolution body has not been set up to consider gender-related issues. Trade policy which discriminates against women workers, for instance, or which has the effect of denying them access to health services, has no legitimacy to be heard. We wonder, too, whether among the experts co-opted for *ad hoc* committee members, gender experts are ever invited.

4. Australia's capacity to undertake WTO advocacy for the benefit of developing countries

Australia is concerned to open up agricultural markets for Australian products. This is likely to impact negatively on women in the agriculture sector, who have already been displaced by export orientation in agriculture. In developing countries, subsistence agriculture is still necessary, and the bulk of these farmers are women; however, they are likely to need to work in seasonal employment as well, which would lead to insufficient attention to their own food production.

In Australia, the emphasis away from family farms towards larger holdings, and the inability of families to support all their members on their land has meant that many women have had to take on off-farm jobs, as well as increase their involvement in the running of the farm, whilst caring for children and the house. There needs to be an examination of the effects of an increased export orientation on women and their families, rather than an assumption that a new round of liberalisation of agricultural markets will be of universal benefit.

Rises in food costs are borne most heavily by women, who are, in many developing countries, the prime producers of food, and who are, in all countries, the ones whose job it usually is to procure and prepare food for families. Where there is not enough food to go around, women and girls are usually the ones who are malnourished. Women's entry into the work force to improve family incomes does not lead to a decrease in the amount of work they must do at home; it adds to the burden of women's work.. A recent World Bank report notes that 'poverty exacerbates gender relations as men face humiliation over handing some of the bread-winning responsibilities over to women' (UN Wire 22. 9. 00). This results in an increase in reported domestic violence against women.

Another aspect of WTO rules which impacts negatively on developing countries is the Trade Related Aspects of Intellectual Property Rights (TRIPS) which allows the patenting of life forms. This is of particular concern since it restricts the accessibility of food and medicines if they have been patented. It is a continuance of colonisation when indigenous processes and varieties are acclaimed as 'new' by Western corporations simply because they are not known in developed countries.

The strictures against the saving of patented varieties of seeds impact upon the poorest farmers, who are frequently women. In our own country, indigenous plants used by Aboriginal people may be patented by transnational corporations for profit, which would not only make it impossible for Aboriginal groups to gain financially from their knowledge, but would make it difficult for them to use traditional medicines. The knowledge which is part of their cultural heritage would be commoditised and 'owned' by others.

Beijing + 5 on economic globalisation

Women of the South have been critical of globalisation and its agents for some years (see Sen and Grown 1985). It was largely through their efforts, particularly in meetings leading up to the UN Women's Conferences, that Northern women have come to understand the issues. At the Beijing + 5 meeting, an understanding that economic globalisation could be bad for women was incorporated into official documents, for the first time.

Under the heading, Women and the Economy (F, 21), it was recognised as an obstacle that '[t]he importance of a gender perspective in the development of macroeconomic policy is still not widely recognised'

It was recommended (101 [a]) that governments '[t]ake effective measures to address the challenges of globalisation, including through the enhanced and effective participation of developing countries in the international economic policy decision-making process, in order to inter alia, guarantee the equal participation of women, in particular those from developing countries, in the process of macroeconomic decision-making'. This is an important proposal but, by itself, is not sufficient to ensure that women will be involved in economic decision-making at the national or global level, as few governments, with Australia being one of them, fully involve women in such processes, as was noted earlier.

Later (in 101 [g]), it is proposed that national efforts need to be complemented by intensified regional and international cooperation in order to tackle the risks, overcome the challenges and ensure that opportunities created by globalisation benefit women, particularly in developing countries'.

What do women of the South want?

It is unlikely that major officials in the WTO have ever considered this question. Yet Southern women have been gathering case studies on the effects of economic globalisation since the 1980s, as they have been the first to feel its effects (Sen and Grown 1985). They form part of the growing opposition to trade liberalisation as it is currently practised, but there is a danger that their views will not be heard among the diverse voices which speak out.

Francisco (2000) notes that women's issues are often marginalised by the labour and environmental movements which are generally seen as the spokespeople of anti-globalisation. This is true in national movements, and at the international level, as experienced at Seattle. Media coverage ignored the actions taken by women as women, although the women marched, and held a vigil, in front of the riot police on 1 December, and held a series of public lectures for the entire day. At the media

conference for women activists, only one journalist turned up, and women-centred quotes were not taken up from media releases throughout the period of the protests.

Francesco notes that the Seattle actions played an important role in educating Northern women of the different effect of trade on their Southern counterparts:

The Women's Caucus, at least until Seattle, existed more as a watchdog whose main responsibility is (*sic*) reminding governments "not to forget the women". Until Seattle, the women's organisations and networks did not have a broader perspective and critique of the role of the WTO in international affairs. This limited "house-cleaning" role ... created much discomfort for women of the South, whose ... governments had been held hostage and left confused and compromised by WTO processes and commitments.

Women of the South, as represented by DAWN, developed their own recommendations for the direction of the WTO. They are presented below, in order that the Committee can gain a sense of the huge amount of concern that exists among poor women of the South and how much the institutions of trade liberalisation impact upon their lives.

The following recommendations are adapted from Taylor 2000:

- Reform of the WTO and guarantees of effective changes in the substance of its agreements;
- Full review and revision of the WTO's rules and regulations;
- Resistance to the introduction of 'new issues' which would further expand the WTO's scope and powers;
- Reduction of the WTO's scope and powers by removing TRIPS, TRIMS and ensuring that other areas, such as food production, small scale agriculture and artisanal fisheries remain outside its ambit;
- Relocation of many of the agreements currently subject to trade terms and sanctions and replacement within the ambit of appropriate specialised UN departments such as UNCTAD, UNDP, UNEP, UNIFEM and other institutions; and
- Radical reduction of the commanding role of the WTO in the emerging global governance and replacement with a more pluralistic system of global governance based on a balanced range of more equal international institutions, all regulated and guided by a framework of overarching global conventions and other international agreements.

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